

# COMMONWEALTH OF VIRGINIA

DELEGATE DANNY MARSHALL, III Chair  
SENATOR MAMIE LOCKE, Vice-chair  
ELIZABETH A. PALEN, Executive Director



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## VIRGINIA HOUSING COMMISSION

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### Summary

**Landlord Tenant Processing of Late Charges Sub-Workgroup of the  
Affordable Housing & Real Estate Law & Mortgages Workgroup  
Thursday, June 1, 2017, 10:00 AM  
House Redistricting Room, 2nd Floor, GAB**

**Work Group members in attendance:**

Chip Dicks; *Virginia Association of Realtors*, Christie Marra; *Virginia Poverty Law Center*, Philip Abraham; *Vectre Corporation*, Rob Bohannon; *Hunton and Williams*, Tyler Craddock, Brian Gordon, *Apartment and Office Building Association of Metro Washington*, J. Walter; *Vector Corporation*

**Staff:** Elizabeth Palen, *Executive Director of VHC*

Elizabeth Palen called the meeting to order at 10:00 AM and asked each person to introduce themselves and state their interest in the issue. She reminded the group assembled about the discussion concerning Lease Agreements; Late Charge (SB 993; W. Stanley, 2017) that took place at the Workgroup meeting held on May 5, 2017.

At that meeting concerns were laid out about the cascading of fees when tenants were late in paying rent and then had a lack of understanding about how late fees to be charged and applied to the next month's rent.

A discussion ensued with Chip Dicks and Christie Marra being the primary participants; their points of view were in opposition concerning this issue. Different solutions such as allowing only the first month's late fee to be charged, not allowing the late fee accrual to be used for eviction purposes, or a statement in the lease explaining how fees were to be applied were suggested.

Ultimately the consensus on the issue was that standard accounting principles need to be applied; even if a cascading effect was created.

The meeting was adjourned at 12:15 PM

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DELEGATE DANNY W. MARSHALL  
DELEGATE DAVID L. BULOVA  
DELEGATE BETSY CARR  
DELEGATE BARRY D. KNIGHT  
DELEGATE CHRISTOPHER K. PEACE

SENATOR MAMIE E. LOCKE  
SENATOR GEORGE L. BARKER  
SENATOR WILLIAM M. STANLEY, JR.

MARK K. FLYNN  
LAURA D. LAFAYETTE  
LAWRENCE PEARSON